

# HOUSE BILL REPORT

## SHB 2618

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### As Passed Legislature

**Title:** An act relating to commodity commissions.

**Brief Description:** Concerning commodity commissions.

**Sponsors:** By House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Linville, Schoesler, Holmquist, Grant and Sump).

**Brief History:**

**Committee Activity:**

Agriculture & Natural Resources: 2/3/04, 2/4/04 [DPS].

**Floor Activity:**

Passed House: 2/13/04, 95-0.

Passed Senate: 3/11/04, 48-1.

Passed Legislature.

<h3>Brief Summary of Substitute Bill</h3>
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| <ul style="list-style-type: none"><li>• Changes the methods and process for public notice of hearings, decisions, and orders related to commodity commission orders.</li></ul> |
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### HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Linville, Chair; Rockefeller, Vice Chair; Schoesler, Ranking Minority Member; Holmquist, Assistant Ranking Minority Member; Kristiansen, Assistant Ranking Minority Member; Chandler, Grant, Hunt, McDermott, Orcutt, Quall and Sump.

**Staff:** Sarah Shirey (786-5793).

**Background:**

A commodity commission may be established for an agricultural commodity directly by statute or through marketing orders adopted according to the Washington Agricultural Enabling Act. The primary role of a commodity commission is to conduct marketing programs, provide information, communication, education and training, and otherwise steward the specific commodity assigned to the commission.

Marketing orders establishing commodity commissions are adopted by rule of the Washington State Department of Agriculture (WSDA). The WSDA Director (Director) is directed to

provide notice of a hearing to issue, amend or terminate a marketing order. The WSDA must publish notice of a hearing once a week for four consecutive weeks in one or more newspapers of general circulation within the affected area. The WSDA must also mail notice to all affected parties or producers.

After the public hearing, the Director must publish findings upon material points controverted at a public hearing along with the Director's recommended decisions. These findings and recommended decisions must be delivered or mailed to all parties in attendance at the hearing or their attorneys. After the issuance of recommended decisions, and after the Director has considered objections, the Director may issue his or her final decision. The WSDA must mail or deliver this final decision to the same parties who received the findings and recommended decisions.

Finally, after the issuance of the Director's final decision approving the issuance, amendment or termination of a marketing order, the Director must determine by a referendum whether the affected parties or producers agree to the action proposed in the final decision. The WSDA Director must conduct the referendum among the affected parties or producers. The referendum requires a 51 percent majority to pass. If passed, the Director must promulgate the order and mail notice to all affected parties.

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#### **Summary of Substitute Bill:**

When the WSDA receives a petition to issue, amend or terminate a marketing order, it must mail a copy of the petition to all affected parties or producers and post the petition on the WSDA's web site. Notice of a public hearing to discuss the petition must be mailed along with the copy of the petition. In addition, the mailing must contain a description of the issuance, amendment and termination process, and direct recipients to the WSDA's web site. A legal notice of the public hearing must be published for two days in a newspaper of general circulation within the affected area.

Notification of the Director's recommended decisions must be mailed and must include the WSDA's web site address. The full text of the Director's findings and decisions, both recommended and final, must be posted on the web site. In the case of amendment and termination petitions, the affected commission may place a link on their web site to the WSDA's web site. If the Director's recommended decision does not include changes to the proposal, mail notification must be by post card. If the recommended decision includes changes to the proposal, mail notification must be by letter describing the changes and explaining the reason for not supporting the petition or referendum.

After the Director issues his or her findings, conclusions and recommended decisions, all interested parties have 15 days from the day the post card or letter is mailed to file statements supporting or opposing the decision. The Director must notify the affected parties of the final decision by mail in the form of a post card. The post card must direct the recipient to the WSDA's web site where the full text of the decision is posted. After the Director determines

whether the final decision is supported or opposed by referendum of the affected parties or producers, results of the referendum must be mailed to all affected parties by post card.

Affected parties who do not have access to material posted on the WSDA's web site may request notification by mail containing the full text of all findings, decisions and referendum results.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** (Original bill) Current notice provisions set forth in statute are very burdensome and redundant. In order to comply with these provisions, commodity commissions are spending thousands of dollars in photocopying and postage expenses. Recipients of the notice complain about the bulk and redundancy of the notice packets they receive in the mail. This legislation would do a better job of providing notice to affected parties in a more efficient and less costly way.

**Testimony Against:** None.

**Persons Testifying:** Heather Hansen and Jim White, Washington Association of Wheat Growers; Dannie McQueen, Washington State Department of Agriculture; and Jim Jesernig, Washington Potato and Onion Association.

**Persons Signed In To Testify But Not Testifying:** None.